



**Australian Government**  
**Australian Taxation Office**

## Electricians - claiming work-related expenses

- <http://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Deductions-for-specific-industries-and-occupations/Electricians---claiming-work-related-expenses/>
- Last modified: 29 Jun 2010
- QC 21829

## Electricians - claiming work-related expenses

### Making a claim

#### When you can make a claim

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In most situations, you can claim deductions for work-related expenses as long as:

- you incurred the expense in doing your job
- the expense is not private (for example, travel to and from work, and most meals)
- you can show you incurred the expense by producing receipts or other written evidence unless an exception applies.

However, there are some instances where you have to meet other conditions, some of which are mentioned below.

#### Claim the correct amount for the year

- You must have incurred the expense in the year you are claiming the deduction, unless the expense relates to the decline in value (depreciation) of tools or equipment you purchased.
- When claiming the decline in value of your tools or equipment, you must have used them or had them available for use in the year you are making the claim.
- You can only claim that part of an expense that relates to your work.



#### **Remember**

- When you complete the declaration on your tax return you are declaring that everything you have told us is true and you can support your claims with written evidence.
- You are responsible for providing proof of your expenses, even if you use a registered tax agent.

## Reimbursements and allowances

- If your employer or any other person reimburses you for expenses you have actually incurred, the payment is called a reimbursement. An allowance is not considered to be a reimbursement.
- You cannot claim a deduction for expenses you incur if those expenses are reimbursed to you by your employer - you do not include a reimbursement on your tax return.
- If you claim your motor vehicle expenses from your employer using the cents per kilometre method, the amount you receive is considered to be an allowance.
- Regardless of the amount of an allowance you receive, you can claim a deduction only for the expenses you paid. That is, if you paid \$80 in work-related expenses and you received a \$100 allowance for those expenses, you can still claim only \$80.



If you received a car allowance or an award transport payment from your employer you must record the amount you received as income at item **2** on your tax return.

## Evidence to support your claims

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- <http://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Deductions-for-specific-industries-and-occupations/Electricians---claiming-work-related-expenses/?page=2>
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If your total claims add up to more than \$300 (excluding claims for car, meal allowance, award transport payments allowance and travel allowance expenses), you must keep written evidence, such as receipts. Your written evidence must show you incurred the full amount of your claim, not just the amount over the first \$300.

If the total amount you are claiming is \$300 or less, you do not need to keep receipts, but you must be able to show how you worked out your claims.

## Work-related daily travel expenses

- <http://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Deductions-for-specific-industries-and-occupations/Electricians---claiming-work-related-expenses/?page=3>
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## When you can make a claim

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### Transporting bulky tools and equipment

You can claim a deduction for the cost of transporting bulky tools and equipment between home and work if:

- you need to use them at work
- there is no secure area for storing them at your workplace.

## Travelling between worksites

You can claim a deduction for the cost of trips between worksites on the same day. This includes travelling between:

- different worksites for the same employer, or
- separate places of employment.


## Shifting places of employment

You can claim the cost of trips between home and work if you regularly work at many sites each day before returning home.

### Example 1

Matt is an electrician who does maintenance work and uses his own vehicle. Every day he travels to several sites. He carries a large extension ladder on his roof rack, a tool box, reels of cable and boxes of switches.

Matt is entitled to a deduction for his vehicle expenses because he has shifting places of work. Matt is also entitled to a deduction because he transports bulky tools and equipment between his home and the worksite.

 For more information about claiming car expenses, refer to [Work-related car expenses](#).

## Daily travel expenses you cannot claim

- <http://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Deductions-for-specific-industries-and-occupations/Electricians---claiming-work-related-expenses/?page=4>
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You cannot claim a deduction for the cost of normal trips between home and work, even if:

- there was no public transport near where you worked so you used a car
- you worked outside normal business hours - for example, shift work or overtime
- you were on call
- you used your own vehicle to travel from home to work to collect a work vehicle.

### Example 2

Paul's employer provides vans for his employees. The vans are fully equipped with all the materials and tools they need to carry out their duties. Paul travels by car to his employer's head office where he picks up the work van then drives to the job. Paul cannot claim a deduction for the car expenses he incurs when he travels between his home and work.

### Example 3

Tony works on a large project where secure storage is available for his tools. As Tony chooses to transport his tools to and from work every day, instead of leaving them in the secure storage provided, he cannot claim a deduction for transporting his tools to and from work.

## Keeping records of your daily travel expenses

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- <http://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Deductions-for-specific-industries-and-occupations/Electricians---claiming-work-related-expenses/?page=5>
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## Car expenses

The records you need to keep and how you work out your claim will depend on whether the vehicle you use is considered to be a car and whether you own or lease it. Your vehicle is considered not to be a car if it is any of the following:

- a utility, truck or panel van with a carrying capacity of one tonne or more
- a vehicle with a carrying capacity of nine or more passengers
- a motorcycle.



If your vehicle is not a car, see [Vehicles other than cars](#).

## Methods of working out your car expenses

The deduction you can claim must be worked out using one of four methods. The records you must keep will depend on:

- the estimated amount of business kilometres you travelled for the income year
- which method you use for claiming car expenses.



For more information on methods of working out deductions for your car expenses, refer to [Work-related car expenses](#).

The following two methods are those most commonly used by electricians.

## The logbook method

To work out your deduction using the logbook method, you must keep:


- a logbook
- odometer records, and
- receipts and other written evidence for all your car expenses. You can use your odometer readings to estimate your fuel and oil costs instead of keeping receipts.

## The cents per kilometre method

When working out your deduction using the cents per kilometre method:

- you don't need receipts or other written evidence but we may ask you to show how you worked out your estimate of business kilometres. For example
  - by using a diary of work-related travel
  - by basing your costs on a regular pattern of travel
- you can claim only up to the first 5,000 business kilometres you travel.

 Car expenses are claimed at item **D1 Work-related car expenses** on your tax return.

 To help you work out deductions for your car expenses, use our [Work-related car expenses calculator](#).

## Vehicles other than cars

- <http://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Deductions-for-specific-industries-and-occupations/Electricians---claiming-work-related-expenses/?page=6>
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If your vehicle is not a car - for example, a van or ute with a carrying capacity of more than one tonne - you must keep records for all expenses you incurred. Those records may include receipts for:

- fuel and oil
- repairs and servicing

- interest on a car loan
- lease payments
- registration.

If you use your vehicle for work and private use, you can use a diary to show how much of those expenses relate to business and personal use of the vehicle.

 You claim these expenses at item **D2 Work-related travel expenses** on your tax return.

 For more information, refer to [Work-related travel expenses](#).

## Other daily travel expenses

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- <http://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Deductions-for-specific-industries-and-occupations/Electricians---claiming-work-related-expenses/?page=7>
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You will need to keep records for other daily travel expenses such as:

- car parking
- bridge and road tolls
- taxi and bus fares.

 You claim these expenses at item **D2 Work-related travel expenses** on your tax return.

## Work-related overnight travel expenses

- <http://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Deductions-for-specific-industries-and-occupations/Electricians---claiming-work-related-expenses/?page=8>
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## When you can make a claim

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You can claim a deduction for the full amount of your travel expenses where:

- your employer requires you to travel to a worksite for a short period to perform work, and

- it would be unreasonable to expect you to return home each day, which means you must stay at or near that worksite while performing that work.

This is the case unless the place at which you stay becomes your temporary residence, that is, you are living away from home for work purposes - see [Overnight travel expenses you cannot claim](#).

Travel expenses include:

- meals, accommodation and incidental expenses
- car, air, bus, train, ferry and taxi fares between home and the site.



If you are claiming travel expenses and you received a travel allowance from your employer you must record the allowance as income at item **2** on your tax return.



For more information about claiming travel expenses refer to [Work-related travel expenses](#).

## Overnight travel expenses you cannot claim

- <http://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Deductions-for-specific-industries-and-occupations/Electricians---claiming-work-related-expenses/?page=9>
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You cannot claim a deduction for the travel expenses you incur if:

- your employer reimburses your expenses
- you get a job that results in you having to incur travel expenses because you choose not to relocate, or
- you live away from your usual home to perform your work.

If you live away from home to perform your work, you may receive a living-away-from-home allowance from your employer. Because you cannot claim a deduction for your expenses, your employer must pay fringe benefits tax on the allowance and you do not need to include the allowance on your tax return.

Your employer should not show the allowance on your payment summary. If it appears on your payment summary, check with your employer that it has not been shown by mistake.

### Example 4

Joe lives in the city and applied for a job to work on a large construction project near a country town. He is paid an allowance to meet his accommodation and meal costs. As Joe applied for the job in the country town and has chosen not to relocate, he is not entitled to a deduction for his expenses. Joe's allowance is a living-away-from-home allowance that his employer must pay fringe benefits tax on. The allowance should not be shown on Joe's payment summary.

## Keeping records of your overnight travel expenses

- <http://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Deductions-for-specific-industries-and-occupations/Electricians---claiming-work-related-expenses/?page=10>
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## Expenses for which you do not have to keep records

You can claim a deduction for the full amount of your travel expenses without keeping all your records if:

- you received a travel allowance that could reasonably be expected to cover your accommodation, meals or expenses incidental to the travel (a token amount paid as a travel allowance is not accepted as reasonably covering such costs), and
- your travel expenses were equal to or less than the reasonable allowance <http://law.ato.gov.au/atolaw/view.htm?docid=TXD/TD200915/NAT/ATO/00001> amount we set.

However, we may ask you to explain how you worked out the amount you claimed.

If the allowance is not shown on your payment summary and was not more than the reasonable allowance amount, you do not have to show it on your tax return as long as you:

- spent the entire allowance on deductible expenses, and
- are not claiming the deduction.

Otherwise, you must show the allowance on your tax return.

We set the reasonable allowance amount for your circumstances in an annual taxation determination that explains:

- when you do not need evidence of your expenses
- the way in which you can claim them.



For the 2009-10 reasonable allowance amount, refer to [Taxation Determination TD 2009/15 - Income tax: what are the reasonable travel and overtime meal allowance expense amounts for 2009-10 income year?](http://law.ato.gov.au/atolaw/view.htm?docid=TXD/TD200915/NAT/ATO/00001) <http://law.ato.gov.au/atolaw/view.htm?docid=TXD/TD200915/NAT/ATO/00001>

For the 2010-11 reasonable allowance amounts, refer to [TD 2010/19 - Income tax: what are the reasonable travel and overtime meal allowance expense amounts for the 2010-11 income year?](http://law.ato.gov.au/atolaw/view.htm?docid=TXD/TD201019/NAT/ATO/00001) <http://law.ato.gov.au/atolaw/view.htm?docid=TXD/TD201019/NAT/ATO/00001> (as at 30 June 2010).



## Example 5

Jamie travels from Adelaide to Mt Gambier to install lights in a new school. He is away from home for five nights. His employer pays him a travel allowance of \$110 per night for accommodation, meals and incidentals. The allowance is not shown on his payment summary.

The travel allowance amount paid to Jamie is less than the reasonable allowance amount and Jamie spends all of the travel allowance on his travel expenses.

Jamie chooses not to include his allowance on his tax return because:

- it is less than the reasonable allowance amount
- it is not shown on his payment summary
- he spends it all to cover his travel expenses.

This means Jamie cannot claim a deduction for his expenses on his tax return.

## Expenses for which you must keep records

- <http://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Deductions-for-specific-industries-and-occupations/Electricians---claiming-work-related-expenses/?page=11>
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If you are claiming more than the reasonable allowance amount, you must keep records to show the full amount you spent, not just the amount over the limit. These records include:

- a travel diary if your travel is six or more nights in a row - that is, a document that shows the dates, places, times and duration of your activities and travel
- invoices, receipts or other documents showing your travel expense details. If it is too difficult to get a receipt for a meal you purchased - for example, if you purchase a meal from a vending machine - you can keep diary entries as your proof of purchase.

If you do not receive a travel allowance, you must keep all of your records.



If you received a travel allowance that is more than the reasonable allowance amount, you must show the allowance as income at item **2** on your tax return.

## If you received a token amount paid as a travel allowance

- <http://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Deductions-for-specific-industries-and-occupations/Electricians---claiming-work-related-expenses/?page=12>

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If you received a token amount paid as a travel allowance that could not reasonably be expected to cover your costs for accommodation, meals and incidental travel expenses, it is not accepted as being a travel allowance. As a result, you must show the total amount you received on your tax return. You must also keep records to show the full amount you spent.



You claim your overnight travel expenses at item **D2 Work-related travel expenses** on your tax return.

## Other work-related expenses

- <http://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Deductions-for-specific-industries-and-occupations/Electricians---claiming-work-related-expenses/?page=13>
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Unless indicated otherwise you can claim the following expenses at item **D5 Other work-related expenses** on your tax return.

## Protective equipment and clothing

You can claim a deduction for protective equipment you use on the job that costs \$300 or less in the year you incur the expenses. This includes equipment such as helmets, harnesses and goggles. You cannot claim a deduction for protective equipment costing more than \$300 that is used over a longer period. You can claim a deduction for its decline in value.

Examples of protective clothing include:

- fire resistant and sun-protection clothing
- safety coloured vests
- rubber boots
- steel-capped boots, gloves, overalls, heavy duty shirts and trousers that are designed to protect the wearer from risk of injury at work.

Jeans, drill shirts and trousers that are not designed to protect the wearer are not considered to be protective clothing.



You can claim your expenses for protective clothing items at item **D3 Work-related uniform, occupation specific or protective clothing, laundry and dry-cleaning expenses** on your tax return.

## Tools and equipment

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- <http://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Deductions-for-specific-industries-and-occupations/Electricians---claiming-work-related-expenses/?page=14>
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You can claim the decline in value on your tools and equipment. The amount you can claim depends on the amount of time you use them for work purposes. For example, if you own a power tool which you use half for business purposes and half for private purposes, you can claim only half the decline in value.

You can claim that part of the cost of a tool or piece of equipment, based on how much you used it for work purposes, where:

- it does not form part of a set and it cost \$300 or less, or
- it forms part of a set and the set cost \$300 or less.

You can also claim the work-related cost of repairing and insuring your tools and equipment, and any interest charges you incurred on money you borrowed to purchase these items.



For more information about claiming decline in value, refer to [Work-related expenses - decline in value](#).

## Sunglasses, sunhats and sunscreens

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- <http://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Deductions-for-specific-industries-and-occupations/Electricians---claiming-work-related-expenses/?page=15>
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You can claim a deduction for these items if you:


- have to work in the sun for all or part of the day, and
- use these items to protect yourself from the sun while at work.

## Home office expenses

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- <http://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Deductions-for-specific-industries-and-occupations/Electricians---claiming-work-related-expenses/?page=16>
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If you maintained an office at home where you carried out tasks for work, then you should have a look at the [Home office expenses calculator](#) to see what you are eligible to claim. Just making work-related phone calls from home won't necessarily mean that the room from which you make those calls qualifies as a home office.

 For more information about home office expenses, refer to [Other work-related expenses](#).

## Overtime meals

- <http://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Deductions-for-specific-industries-and-occupations/Electricians---claiming-work-related-expenses/?page=17>
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You can claim a deduction for overtime meal expenses if you:

- received an overtime meal allowance under an industrial award for working overtime, and
- purchased a meal when you worked overtime.

You must include the allowance you received on your tax return if you:

- have an overtime meal allowance shown on your payment summary
- are claiming a deduction and the allowance is not shown on your payment summary, or
- received an allowance in excess of the reasonable allowance amount.

If the overtime meal allowance is not shown on your payment summary and was not more than the reasonable allowance amount, you do not have to show it on your tax return if you:

- spent the entire allowance on expenses for which you can claim a deduction, and
- are not claiming a deduction.



If your overtime meal allowance is already included in your normal salary or wage (not included as a separate allowance on your payment summary), you cannot claim a deduction for it.



To find out the reasonable allowance amount, refer to [TD 2009/15 - Income tax: what are the reasonable travel and overtime meal allowance expense amounts for 2009-10 income year?](#) <<http://law.ato.gov.au/atolaw/view.htm?docid=TXD/TD200915/NAT/ATO/00001>>

For the 2010-11 reasonable allowance amounts, refer to [TD 2010/19 - Income tax: what are the reasonable travel and overtime meal allowance expense amounts for the 2010-11 income year? <http://law.ato.gov.au/atolaw/view.htm?docid=TXD/TD201019/NAT/ATO/00001>](#) (as at 30 June 2010).

## Records you must keep

- <http://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Deductions-for-specific-industries-and-occupations/Electricians---claiming-work-related-expenses/?page=18>
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You must keep records and these can be:

- receipts, or other written evidence of your expenses, including receipts for depreciating assets you have purchased
- diary entries you make to record your small expenses (\$10 or less) totalling no more than \$200, or expenses you cannot get any kind of evidence for, regardless of the amount
- itemised phone accounts on which work-related calls can be identified
- a diary you have created to work out how much you use your equipment, home office and phone for business purposes over a representative four-week period
- payment summaries showing items such as overtime meal allowances.

## What to read/do next

- <http://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Deductions-for-specific-industries-and-occupations/Electricians---claiming-work-related-expenses/?page=19>
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For information about particular types of work-related expenses, refer to:

- [Claiming deductions](#)
- [Work-related car expenses](#)
- [Work-related travel expenses](#)
- [Work-related clothing, laundry and dry-cleaning expenses](#)
- [Other work-related expenses](#)
- [Keeping your tax records](#)
- [Work-related expenses - decline in value](#)
- [Building workers](#)
- [Home office expenses calculator](#)
- [Work-related car expenses calculator](#)
- [Taxation Determination TD 2011/17 - Income tax: what are the reasonable travel and overtime meal](#)

[allowance expense amounts for the 2011-12 income year? <http://law.ato.gov.au/atolaw/view.htm?Docid=TXD/TD201117/NAT/ATO/00001>](http://law.ato.gov.au/atolaw/view.htm?Docid=TXD/TD201117/NAT/ATO/00001)

- [Taxation Determination TD 2010/19 - Income tax: what are the reasonable travel and overtime meal allowance expense amounts for the 2010-11 income year? <http://law.ato.gov.au/atolaw/view.htm?docid=TXD/TD201019/NAT/ATO/00001>](http://law.ato.gov.au/atolaw/view.htm?docid=TXD/TD201019/NAT/ATO/00001) (as at 30 June 2010)
- [Taxation Determination TD 2009/15 - Income tax: what are the reasonable travel and overtime meal allowance expense amounts for 2009-10 income year? <http://law.ato.gov.au/atolaw/view.htm?docid=TXD/TD200915/NAT/ATO/00001>](http://law.ato.gov.au/atolaw/view.htm?docid=TXD/TD200915/NAT/ATO/00001)

If you need help applying this information to your own situation, phone us on **13 28 61**.

## Our commitment to you

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We are committed to providing you with accurate, consistent and clear information to help you understand your rights and entitlements and meet your obligations.

If you follow our information and it turns out to be incorrect, or it is misleading and you make a mistake as a result, we will take that into account when determining what action, if any, we should take.

Some of the information on this website applies to a specific financial year. This is clearly marked. Make sure you have the information for the right year before making decisions based on that information.

If you feel that our information does not fully cover your circumstances, or you are unsure how it applies to you, contact us or seek professional advice.

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